Mr. Hutchison.—I was not heard.

Mr. Bell.—It was not done *ex parte;* you consented.

Mr. Hutchison.—I did not consent.

Mr. Bell.—Is it reasonable that you should look at the accounts of these gentlemen?

Dr. Fitchett.—That is not the point. You suggested that it could not be done without their consent.

Mr. Bell.—I have not said so. We submit that we ought not to be required by this Committee to produce our customers' accounts unless you first get their consent.

Hon. Mr. Larnach.—The question I ask is whether, within your knowledge, that consent was required in a Court of law? Supposing that the bank is in the habit, as all banks doing a large business are, of opening a new set of books each half-year, and this Committee does not require the books of the present half-year, it will not inconvenience the bank if any books are asked for that are not in use.

Mr. Bell.—I said I would make inquiry and see what the practice of the bank is.

Mr. Hutchison.—They are not wanted beyond the 31st March.

The Committee adjourned.

THURSDAY, 24TH JULY, 1890.

Messrs. BELL and STAFFORD in attendance.

The Chairman.—The Committee wishes to hear you again, Mr. Bell, as to the books in current use in the bank.

Mr. Bell.—I have made the inquiry, Sir, which I promised yesterday to make in reply to Dr. Fitchett and the Hon. Mr. Larnach. The books of the Bank of New Zealand occupy the period of a year; they are closed on the 31st March of each year, so that the books before April would not be in current use. May I be permitted to add one word to what I said yesterday to the Committee. The Committee, I presume, will have understood that what I said yesterday referred not to the ledgers which contain the Public Account, but to the ledgers containing private accounts, which are altogether separate ledgers.

The Chairman.—We understood you to speak of the books that contain the accounts of three members of the Government.

Hon. Mr. Larnach.—Books containing individual accounts.

Mr. Bell.—The bank keeps the Public Account in a different set of ledgers from those which contain private accounts. I was afraid that what I said yesterday might be misconstrued, and therefore taken to apply to ledgers containing the public accounts. As to these ledgers containing the public accounts there is no difficulty in producing them, except the physical difficulty. What I said yesterday referred to the private ledgers and private accounts kept in the bank. I also found yesterday, in the course of my inquiry, that the Bank of New Zealand has four ledgers current in each year, lettered alphabetically, so that the requisition proposed to be made by the Committee is for the production of a large number of ledgers extending to over twenty ledgers at Auckland and twenty ledgers kept here, covering the period from 1885 to 1890.

The Chairman.—How many ledgers would be required to take in these three accounts? Three ledgers I presume; the letter A would indicate the account in the name of Atkinson, M that in the name of Mitchelson, and W that in the name of Whitaker. Would it require three ledgers, or might not any two be in the same ledger?

Mr. Bell.—They would not be in the same ledger. There is this matter, besides, which the Committee appears to be omitting from its consideration: We have been required, by notice, to produce here for inspection the accounts of persons which may have been guaranteed by these three gentlemen. I am debarred at present from saying more than that I trust the Committee will take into consideration whether that is a proper thing to do.

The Chairman.—How many more books would be required?

Mr. Bell.—The whole of the ledgers in Auckland and Wellington for the period set out would be required. There are entries of accounts kept by these honourable gentlemen during the session of Parliament in each year, so that the whole of these books would be required I am informed by the bank's officers. I have had no other means of obtaining the information for the honourable gentleman who asked me questions on the subject yesterday: that the old ledgers are the subject of constant reference by the bank's officers both for their own purposes and at the request of the bank's customers. The gentleman who assured me of this is the bank manager here. He assured me of it without my asking him the question, so that I have not the slightest reason for doubting the accuracy of his statement. I have no means of adding to its force by any experience of my own. The statement of the manager is that it will cause serious inconvenience to bring from Auckland these old ledgers; of course that does not apply to the ledgers that are kept here. It was suggested to me by the Hon. Mr. Larnach that, because the books of the bank would be produced in the "ordinary course" in charge of an officer of the bank, to be referred to by that officer in answering questions, there would be no such difficulty as I have just indicated. If that is to be so, of course, as it seems to me, it would to a very large extent remove the difficulty which the bank feels in this matter, but not wholly. I would venture to ask that the bank should have the assurance from you, Sir, that it is not intended the books should be open to the inspection of the members of the Committee. If I understood him, the Hon. Mr. Larnach suggested that, inasmuch as the books would be in charge of an officer of the bank, who would give evidence in reference to his own inspection of the accounts, there would be, in that case, no objection, on the ground that the ledgers contained the accounts of other persons not before the Committee.

Hon. Mr. Larnach.—This was my reason, because there would be no reason why any member of the Committee should look into the account at all; certainly not beyond it.